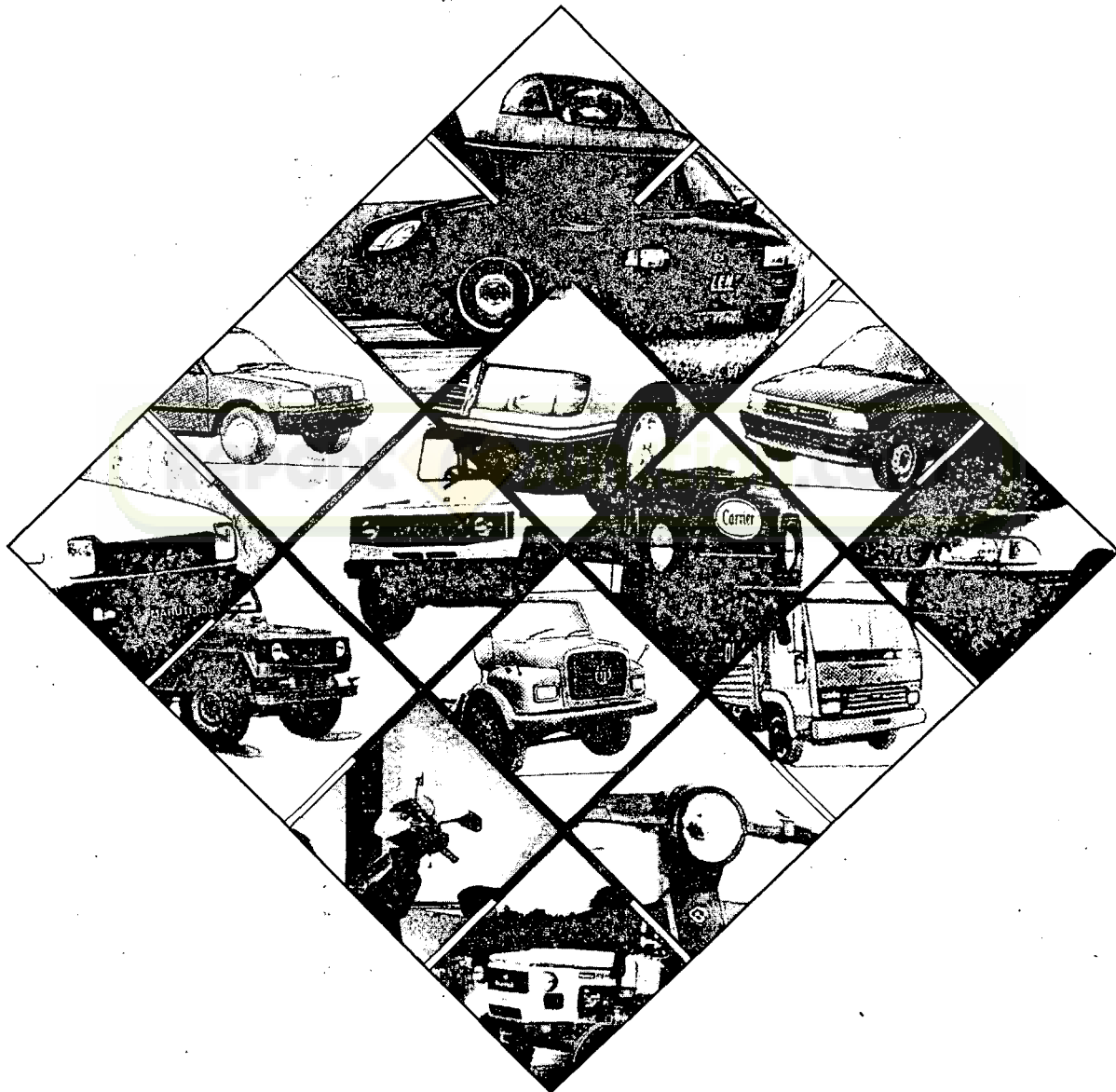


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YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

# LUMAX INDUSTRIES LIMITED



1997-98

17th ANNUAL REPORT

## Lumax Industries Limited

### BOARD OF DIRECTORS

Shri S.C. Jain	(Chairman & Sr. Mg. Director)	
Shri D.K. Jain	(Vice Chairman & Mg. Director)	
Shri Mahesh K. Jain	(Director)	
Shri U.K. Jain	(Executive Director)	
Shri Rajan Jain	(Executive Director)	
Shri P.C. Jain	(Executive Director)	
Shri R.P. Aggarwal	(Executive Director)	
Shri T. Kamoshita	(Executive Director)	} Nominees of Stanley, Japan
Shri A. Nakamura	(Director)	

### SECRETARY

Shri K.V. Vijayan

### AUDITORS

M/s K.S. Gupta & Company  
Chartered Accountants, Delhi

M/s D.R. Barve & Company  
Chartered Accountants, Pune (Branch Auditors)

### BANKERS

Punjab National Bank  
Syndicate Bank  
State Bank of India  
ICICI Banking Corporation Ltd.  
The Sakura Bank Ltd.

### REGISTERED OFFICE & SHARE DEPT.

2nd Floor, Harbans Bhawan-II  
Nangalraya Business Centre, New Delhi-110 046  
Tele : 5500010, 5541975  
Fax : 5501233

### CORPORATE OFFICE

B-86, Mayapuri Industrial Area,  
New Delhi-110 064

### WORKS

- a) B-85, Mayapuri Industrial Area, New Delhi
- b) D-2/43 & D-2/44, MIDC Industrial Area, Chinchwad, Pune
- c) 29, DLF Industrial Estate-II, Faridabad
- d) Plot No. 16, Sector 18, Maruti Complex, Gurgaon
- e) Plot No. 78, Sector 6, Faridabad
- f) C-10, MIDC, Waluj, Aurangabad
- g) 131, Roz-Ka-Meo Industrial Estate, Sohna
- h) Plot No. 6, HSIDC, Indl. Area, Dharuhera




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Lumax Industries Limited

*Seventeenth*

# ANNUAL REPORT 1997-98

Report  junction.com

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ANNUAL GENERAL MEETING ON 21ST SEPT., 1998



## Lumax Industries Limited

### NOTICE TO MEMBERS

Notice is hereby given that the 17th Annual General Meeting of the Shareholders of the Company will be held on **MONDAY THE 21ST SEPT.1998 AT 11.00 A.M. AT FICCI GOLDEN JUBILEE AUDITORIUM, TANSEN MARG, NEW DELHI-110 001** to transact the following business:-

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March 1998 and the Directors' and Auditors' Report thereon.
2. To declare the Dividend on Equity Shares and Preference Shares (CCPs)
3. To appoint a Director in place of Shri Rajan Jain who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri T. Kamoshita who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors M/s K.S. Gupta & Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

### SPECIAL BUSINESS :

6. To consider and if thought fit, to pass with or without modification the following as ordinary resolution:-

"Resolved that M/s D.R. Barve and Company, Pune be and is hereby re-appointed as Branch Auditors for the audit of the accounts of Pune, Aurangabad and Chakan branches of the Company, and the Company hereby authorise the Board of Directors to fix the terms and conditions of their appointment including the remuneration payable to them".

7. To consider and if thought fit, to pass with or without modification the following as ordinary resolution:-

"Resolved that Shri Akihiro Nakamura, who was appointed by the Board as an Additional Director of the Company w.e.f. 07-08-97 and who holds the office upto the date of this AGM, and in respect of whom the Company has received a Notice in writing from a member as required under Section 257 of the Companies Act, 1956 proposing his candidature for the Office of the Director, be and is hereby appointed as Director of the Company.

8. To consider and if thought fit, to pass with or without modification the following as a Special Resolution:-

"Resolved as a special resolution that pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and the relevant provisions of Foreign Exchange Regulations Act, 1973 (FERA) or any other enactment thereof and subject to the Listing Agreement entered into by the Company with the Stock Exchanges where the Company's shares are listed, guidelines of Securities Exchange Board of India (SEBI) and Reserve Bank of India (RBI) on Preferential Allotment and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval, consent, permission and/or sanction etc. as required under law from RBI and other appropriate authorities and subject to the terms, conditions and modifications as may be made sue-moto by the Board in the larger interest of the Company or imposed by the appropriate authorities, the Board of Directors (hereinafter referred to as Board, which term shall be deemed to include any committee of Directors and/or any Officers of the Company constituted by the Board for giving effect to this resolution) is hereby authorised to offer and issue not exceeding 2,11,000 Equity Shares of Rs.10/- each to the Company's Foreign Collaborator M/s Stanley Electric Company, Japan and its Associate (hereinafter referred to as Stanley) on Preferential basis at a price to be negotiated and decided by the Board of Directors, so as to enable the said Stanley to hold around 20% of the issued capital of the Company.

"Resolved further that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in their discretion, deem necessary or desirable and settle, to any question, difficulty or doubt that may arise in regard to this offer, issue and allotment of the said equity shares".

9. To consider and if thought fit to pass with or without modification the following as a special resolution :

"Resolved as a special resolution that in accordance with the provisions of Section 198,269,309 and 311 read with Schedule-XIII and other applicable provisions of the Companies Act, 1956, the consent of the company be and is hereby accorded to the re-appointment of Shri Sagar Chand Jain to the Office of the Sr. Managing Director for a period of 5 years w.e.f. 1st July, 1999 upon the terms and conditions as set out in the explanatory statement annexed to this notice.

"Resolved further that in the absence of or inadequacy of the net profit during any financial year, Shri S.C. Jain shall be paid the salary and other perquisites except commission as detailed in the explanatory statement annexed, as minimum remuneration which shall further be within the overall ceiling as specified in Section-II of Part-II of Schedule-XIII of the Companies Act, 1956.

"Resolved further that the Board of Directors be and are hereby authorised to alter, amend or vary the terms of the re-appointment including the remuneration provided that the alteration, amendment or variations so made are in accordance with the terms and conditions as specified in Schedule -XIII of the Companies Act, 1956 or any amendment thereto by any statutory modifications or re-enactment thereof.

10. To consider and if thought fit to pass with or without modification the following as a special resolution :

"Resolved as a special resolution that in accordance with the provisions of Section 198,269,309 and 311 read with Schedule-XIII and other applicable provision of the Companies Act, 1956, the consent of the company be and is hereby accorded to the re-appointment of Shri Dhanesh Kumar Jain to the Office of the Managing Director for a period of 5 years w.e.f. 1st August, 1998 upon the terms and conditions as set out in the explanatory statement annexed to this notice..

"Resolved further that in the absence of or inadequacy of the net profit during any financial year, Shri D.K. Jain shall be paid the salary and other perquisites except commission as detailed in the explanatory statement annexed, as minimum remuneration which shall further be within the overall ceiling as specified in Section-II of Part-II of Schedule-XIII of the Companies Act, 1956.

"Resolved further that the Board of Directors be and are hereby authorised to alter, amend or vary the terms of the re-appointment including the remuneration provided that the alteration, amendment or variations so made are in accordance with the terms and conditions as specified in Schedule -XIII of the Companies Act, 1956 or any amendment thereto by any statutory modifications or re-enactment thereof.

11. To consider and if thought fit, to pass with or without modification the following as Ordinary Resolution:-

"Resolved that pursuant to relevant provisions of the Companies Act, the consent of the Company is hereby accorded to the re-appointment of Shri T. Kamoshita, a nominee of Stanley Electric Company Ltd., Japan as Executive Director for a period of one year w.e.f. 19-05-98 on a salary of Rs.40,000/- p.m. plus other allowances and perquisites as per the agreement duly approved by the Board (a copy of which is placed in the meeting) and the brief details of which are set out in the explanatory statement annexed to this Notice.

"Resolved further that in the absence of or inadequacy of net profit during any financial year, Shri T. Kamoshita shall be paid the salary and other perquisites as detailed in the agreement entered with him, as minimum remuneration which shall further be within the overall ceiling as specified in Section-II of Part-II of Schedule-XIII of the Companies Act, 1956.

12. To consider and if thought fit, to pass with or without modification the following as Special Resolution:-

"Resolved as a Special Resolution that pursuant to Section 314(1) and other relevant provisions of the Companies Act, 1956, the consent of the Company is hereby accorded to the appointment of Shri Deepak Jain as General Manager (OE Market Sales) in the Company w.e.f. 01-12-1997 on a Basic Salary of Rs.7,300/- p.m. plus other allowances and perquisites as applicable to the grade as per the rules of the Company.



## Lumax Industries Limited

"Resolved further that by this resolution the Board is conferred with the authority to sanction at their discretion to allow the Annual Increment and other benefits within the grade as per the rules in due course, provided the total remuneration payable to Shri Deepak Jain shall be less than Rs.20,000/- p.m. or such other limits as may be prescribed by any amendment by the Government in future.

13. To consider and if thought fit, to pass with or without modification the following as Special Resolution:-

"Resolved as a Special Resolution that pursuant to Section 314(1) and other relevant provisions of the Companies Act, 1956, the consent of the Company is hereby accorded to the appointment of Shri Nitin Jain as General Manager in the Company w.e.f. 01-08-1998 on a Basic Salary of Rs.7,300/- p.m. plus other allowances and perquisites as applicable to the grade as per the rules of the Company.

"Resolved further that by this resolution the Board is conferred with the authority to sanction at their discretion to allow the Annual Increment and other benefits within the grade as per the rules in due course, provided the total remuneration payable to Shri Nitin Jain shall be less than Rs.20,000/- p.m. or such other limits as may be prescribed by any amendment by the Government in future.

BY ORDER OF THE BOARD

Regd. : 2nd Floor, Harbans Bhawan-II  
Office : Nangalaya Business Centre  
New Delhi-110 046.  
Date : 03-08-1998

K.V. VIJAYAN  
COMPANY SECRETARY

### NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his/her behalf and proxy need not be a member of the company. The Form duly filled up and signed should reach to the Company's Regd. Office atleast 48 hours before the scheduled time of the meeting. Proxy form is attached.
2. Register of members of the Company and the share transfer books will remain closed from 09-09-98 to 21-09-98 (both days inclusive) for the purpose of payment of Dividend.
3. Dividend on shares, as recommended by the Directors, if declared at the meeting will be payable to those members whose names stand on the Register of Members of the Company as on 21-09-98.
4. The members are requested to intimate the company immediately, any change in their registered address.
5. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
6. The Shareholders are requested to furnish their Bank A/c Number, Name of Bank and Branch where they would like to deposit their dividend warrant for encashment, so that, these particulars can be printed on the dividend warrant.
7. Shareholders who hold shares in multiple folios with identical names are requested to intimate their Ledger folios of such accounts and send the share certificates so that these shares can be consolidated into one account. The Share certificates will be returned after making necessary endorsement.
8. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is furnished here under.
9. Shareholders of erstwhile Laser Lamps (Haryana) Ltd. who have not yet surrendered their share certificates in exchange of Lumax Share certificates are requested once again to surrender their certificates immediately to the Regd. Office.

### EXPLANATORY STATEMENT :

#### Item No.6 :

As per Section 228(3) of the Companies Act, 1956, approval of the Members in the Annual General Meeting is required for the audit of Branch Accounts by an Auditor

other than the Statutory Auditor. M/s D.R. Barve & Company, Pune has been the Branch Auditors of Pune, Aurangabad and Chakan Units from the very inception. It is therefore, considered desirable to continue their service as Auditors of the above said units. It is further recommended that the Board of Directors may be authorised to decide the terms and conditions of their appointment including their remuneration.

#### Item No.7 :

Shri Akihiro Nakamura, a nominee of Stanley Electric Company Ltd., Japan was appointed as Additional Director of the Company on 07-08-97 by the Board of Directors. According to the provisions of Section 260 of the Companies Act, 1956 he holds office as Director only upto the date of the ensuing annual general meeting. As required under Section-257 of the Act, the Company has received a notice proposing his appointment. Shri Akihiro Nakamura is a non-resident Director working as President of Thai Stanley Electric Public Company Ltd., Bangkok, which is a subsidiary of Stanley Electric Company Ltd., Japan, our Collaborator.

Shri Akihiro Nakamura's association as Director will enable the Company in getting his expert advice in the line and thereby the Company will be benefited.

None of the Directors except Shri Akihiro Nakamura is interested in this resolution.

#### Item No.8 :

Members may recall that in the last AGM, approval for the allotment of 7.50 Lacs shares to Stanley Electric Company Ltd., Japan was taken so that they might hold 20% of the Equity Shares of the Company. Accordingly, they were allotted 7.50 Lacs shares on 28th October, 1997 at a price of Rs.125/- per share. This allotment was as per the MOU signed between the Company and Stanley, for strengthening the mutual partnership by increasing technical and equity participation and thereby tapping the new business opportunities, in the back drop of changed business environment in the country.

Consequent to the merger of the Laser Lamps (Haryana) Ltd. with the Company the Equity base has been expanded by 8.50 lacs shares and with the result holding of Stanley has decreased to 17.96% of the present total Equity Capital Rs.834.77 lacs. Therefore, as per the agreement with Stanley it is now proposed to allot additional 2,11,000 shares, so as to maintain their equity holding at 20% of the paid up capital.

With regard to the pricing of shares the Board of Directors are negotiating with Stanley. The issue price shall, however, be not less than the SEBI guidelines price.

The Board consider that the proposed issue to the Collaborator is in the best interest of the Company and therefore, the resolution is recommended for the approval of the members.

None of the Directors is interested or concerned in this resolution.

#### Item No.9 & 10 :

Sh. S.C. Jain, Sr. Managing Director, was appointed for a period of five years w.e.f 1st July 1994. His five year term is expiring on 30th June 1999. The Board of Directors have unanimously decided to re-appoint him for another five years period taking into account his business acumen and experience in the Automotive Component Industry.

The five year term of Shri D.K. Jain, Managing Director expired on 31st July, 1998. The Board of Directors in its meeting held on 28th July, 1998 have unanimously decided to re-appoint him for another 5 years on the terms and conditions as agreed between the Company and Shri D.K. Jain, which is in accordance with the Schedule-XIII of the Companies Act, 1956. The Board consider that his appointment should be extended in the interest of the Company's further growth and development.

Shri S.C. Jain and Shri D.K. Jain are the founder promoters of the Company. As per the provisions of Schedule-XIII of the Companies Act, 1956 their appointment and payment of remuneration are subject to the approval of the members. Hence, the Board recommend these resolutions for the approval of the members.

Shri S.C. Jain and Shri D.K. Jain are related to other Promoter Directors viz, Shri Mahesh K. Jain, Shri U.K. Jain and Shri Rajan Jain and therefore, all of them may be treated as concerned or interested in these resolutions.





## Lumax Industries Limited

The principal terms and conditions of the appointment of Shri S.C. Jain and Shri D.K. Jain are as follows :-

### 1. Tenure of Appointment :

S.C. Jain : For a period of five years  
w.e.f 01-07-1999.

D.K. Jain : For a period of five years  
w.e.f 01-08-1998.

2. Functions : Subject to the control, direction and supervision of the Board (Common to both the MDs) of Directors, the appointees shall be entrusted with substantial powers of Management of the Company and shall also perform such other duties as may be entrusted to them from time to time by the Board.

### 3. Remuneration :

a) Salary : Sh. S.C. Jain Rs.30,000/- p.m.  
Sh. D.K. Jain Rs.40,000/- p.m.

b) Commission : One and half percent of the Net Profit of the relevant financial year to each Managing Director.

c) Perquisites :  
(Common to both the MDs)

### Category - A

- i) House Rent allowance : Amount equal to 60% of the Salary over and above 10% payable by the Managing Directors. Reimbursement of expenditure incurred on Gas, Electricity, water and Furnishing shall be valued as per the Income Tax rule 1962. This shall however, be subject to a ceiling of 10% of the salary of the Managing Directors.
- ii) Medical Reimbursement : Expenses incurred by the Managing Director for self and his family subject to a ceiling of one month salary or three months salary over a period of three years.
- iii) Leave Travel Concession : For Managing Director and his family once in a year in accordance with any rules specified by the Company.
- iv) Club Fee : Fees of Clubs subject to a maximum two clubs. This will not include admission and Life Membership fee.
- v) Personal Accident Insurance : Premium not to exceed Rs.10,000/- p.a.

### Category - B

i) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax.

ii) Appointees will be entitled for earned leave/ privilege leave on full pay and allowances as per the rules of the Company, but not more than one month leave for every eleven months service. Leave accumulated but not availed may be encashed only at the end of tenure.

Encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites.

### Category - C

Provision of Car for use on Company's Business and Telephone at residence will not be considered as perquisites. Perquisite value on Personal long distance calls on telephone and use of Car for private purposes shall be treated as per the income tax rules.

The perquisites mentioned above shall be inter changeable within the overall ceiling of the annual salary of the appointees.

Wherein any financial year during the currency of the tenure of both the Managing Directors, the Company has no profit or its profit is inadequate, the Company will pay the above mentioned salary and other perks except commission as minimum remuneration.

The appointees shall not be entitled to sitting fee for attending the meeting of Board of Directors or Committee thereof.

The above may be treated as the abstract of the terms and conditions of the re-appointment and payment of remuneration to Shri S.C. Jain, Sr. Mg. Director and Sh. D.K. Jain, Mg. Director to be circulated to the members as per Section-302 of the Companies Act, 1956.

### Item No.11 :

Shri T. Kamoshita, Executive Director is a Nominee of the Collaborator viz Stanley Electric Company Ltd., Japan. His 3 years term expired on 18th May, 1998. In accordance with the service agreement entered into between the Company and the Collaborator, the Board of Directors in its meeting held on 4th May, 1998 decided to extend his tenure for one more year without any change in his remuneration, as specified in the earlier agreement. As per the agreement, his salary is Rs.40,000/- p.m. plus other perquisites like free Furnished Accommodation, Telephone, Company Car, Reimbursement of Gas, Water, Electricity expenses, Leave Travel Allowance etc. His extension of service is in accordance with the service agreement with Stanley.

The Board consider that Shri T. Kamoshita's experience and expertise is of great value to the Company and therefore, his appointment is recommended for the members approval.

None of the Directors other than Shri T. Kamoshita is interested in this resolution.

### Item No.12 & 13 :

Under Section 314(1) of the Companies Act, 1956 a Special Resolution is required for appointing a relative of a Director in the Company for holding Office or place of Profit. Shri Deepak Jain S/o Shri D.K. Jain, Mg. Director, holds a B.B.A Degree from Illinois Institute of Technology, Chicago. After his studies he joined the Company on 01-12-1996 as Management Intern. He has taken management training from M/s Stanley Electric Company Ltd., Japan and M/s I.I. Stanley Electric Corporation Ltd., U.S. before joining the Company as General Manager (OE Market Sales) on 01-12-1997.

The experience that Shri Deepak Jain gained from the collaborators during his training period, will help the Company in absorbing the technical and business know-how of Stanley in a better way with closer interaction and mutual understanding. Therefore, the Board recommend the appointment of Shri Deepak Jain.

Similarly Shri Nitin Jain, S/o Shri U.K. Jain, did his M.B.A from Russia and he stayed back there for promoting his export business. After his 5 years stay, he returned to India and took up the appointment in the Company as General Manager w.e.f. 1st August, 1998. The experience he gained from abroad will be beneficial to the Company in performing his duties.

Since Shri Deepak Jain and Shri Nitin Jain are related to the promoter Directors and therefore, all of them may be treated as interested in these resolutions.

### Inspection of Documents :

The documents pertaining to special business are available for inspection at the Registered Office of the Company between 11.30 to 12.30 on any working day prior to the meeting.

BY ORDER OF THE BOARD

K.V. VIJAYAN  
COMPANY SECRETARY

Regd. : 2nd Floor, Harbans Bhawan-II  
Office Nangalraya Business Centre  
New Delhi-110 046.  
Date : 03-08-1998



## Lumax Industries Limited

### DIRECTORS' REPORT

#### To the Shareholders

The Board of Directors are happy to present the 17th Annual Report together with audited financial results of the company for the year 1997-98.

#### FINANCIAL RESULTS :

	1997-98	1996-97
	Rs. in million	
Sales (Excluding Excise Duty)	1302.02	1244.72
Gross Profit (before Interest, Dep. & Tax)	169.55	181.32
(-) Depreciation	48.24	27.42
(-) Interest	47.42	18.28
	72.69	135.62
(+) Balance in the P&L A/c b/f	10.13	2.04
(+) Transfer from Revaluation Reserve	0.20	0.60
(+) Excess Provision of the income tax written back	0.01	-
<b>NET PROFIT - for appropriation</b>	<b>83.26</b>	<b>138.26</b>
<b>APPROPRIATION :</b>		
Provision for Taxation	11.84	50.06
Proposed Equity Dividend	17.27	13.08
Proposed CCP Dividend	0.07	1.68
Debenture Redemption Reserve	-	0.96
Transfer to General Reserve	50.00	70.00
Balance retained in P&L A/c	4.08	2.48
	83.26	138.26

#### DIVIDEND:

A dividend of 22% pro-rata (22% for previous year, 1996-97) is recommended on the equity shares for the year ended 31st March, 1998 for the approval of members.

Share holders of erstwhile Laser Lamps (Haryana) Ltd. will get full rate of Dividend as the appointed date of merger is w.e.f. 1.4.97

The Board also recommends 12% dividend on cumulative Convertible Preferential shares (CCPs) for 15 days. The CCPs were converted to equity shares in April 97.

#### PERFORMANCE:

There has been a general sluggishness of the Indian economy and the Automotive Industry has been worst hit. The growth in the Automotive Industry as a whole, as per AIAM has been 0%, while many sectors like Commercial Vehicles, Passenger Cars, etc. have shown negative growth.

Against this backdrop, the company has recorded a turnover of Rs. 1302.02 million for the year 1997-98 while the Net Profit was Rs. 83.26 million. The figures given for the year ended 31st March 1998 include figures of erstwhile Laser Lamps (Haryana) Ltd. (LLHL) consequent to the approval of Scheme of Amalgamation, effective from 01.04.97. Therefore current year figures are not comparable to those of the previous year. Nonetheless, the performance has been noteworthy in view of the dismal performance of the Auto Industry and in view of the fact of heavy interest burden as the company has invested Rs. 300 million in setting up a modern production facility at Dharuhera.

The Book Value of the equity share (excluding Revaluation Reserve) comes to Rs. 69.10 (against Rs. 59.15 in 1996-97).

#### PROSPECTS:

Production at Dharuhera plant has commenced. This plant will be the only lighting equipment plant in India having the facility for manufacture of polycarbonate lenses with silicon hardcoat. This will add to the company's competitive edge. The company has already secured orders from most new entrants to the vehicle industry and with its state-of-the-art facilities and strategic technical collaborations, it continues to be the first choice supplier for all OEMs in the country.

Moreover, the erstwhile LLHL unit at Sohna has also come under the Lumax fold. Through this the company is strengthening its upstream integration by enhancing its capability in bulb manufacture.

The directors thus feel confident of the company achieving higher growth in the year 1998-99.

#### DIRECTORS:

In accordance with the provisions of the Companies Act, and the Articles of Association of the company, Shri Rajan Jain and Shri T Kamoshita retire by rotation as directors and being eligible offer themselves for reappointment.

Shri A. Nakamura nominee of Stanley Elec. Co. Ltd. Japan (Collaborator) was inducted to the Board on 7.8.97 as Additional Director. The Board recommends his continuance as Director in the Board and for which members approval is required.

The 5 year Term of Shri D.K. Jain Managing Director expires on 31.7.98. He is being re-appointed for another 5 years and the members approval is sought for in the coming AGM.

Similarly, the 5 year term of Sh. S.C. Jain, Sr. Managing Director is expiring on 30th June 1999. His re-appointment on the existing terms and conditions is also put up for the approval of members.

#### AUDITORS:

Members are requested to approve the re-appointment of M/s K. S. Gupta & Company (Statutory Auditors) and M/s D. R. Barve and Company, Pune (Branch Auditors). Necessary Certificate pursuant to Section 224(1B) of the Companies Act, 1956 have since been received from the above said Auditors.